

AMENDED IN SENATE OCTOBER 14, 2009

AMENDED IN SENATE SEPTEMBER 4, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 188

Introduced by ~~Committee on Budget (Evans (Chair), Arambula, Beall, Blumenfield, Brownley, Caballero, Carter, De La Torre, Feuer, Hill, Huffman, Monning, Ruskin, and Swanson)~~ Assembly Member Jones

(Principal coauthors: Senators Alquist and Steinberg)

February 2, 2009

An act to repeal and add Sections 17031.8, 17036, and 18114 of, to repeal, add, and repeal Section 18502 of, the Health and Safety Code, and to repeal and add Section 62.5 of the Labor Code, relating to state fees. *An act relating to public health, making an appropriation therefore, and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

AB 188, as amended, ~~Committee on Budget Jones. State fees. Medi-Cal: quality assurance fee revenue.~~

Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services, under which basic health care services are provided to qualified low-income persons. The Medi-Cal program is partially governed and funded as part of the federal Medicaid Program.

AB 1383 of the 2009–10 Regular Session of the Legislature, which becomes effective January 1, 2010, requires the department to make supplemental payments for certain services, as specified, to private

hospitals, nondesignated public hospitals, and designated public hospitals, as defined, for subject federal fiscal years.

These provisions in AB 1383 are subject to federal approval and also impose, as a condition of participation in state-funded health insurance programs other than the Medi-Cal program, a quality assurance fee, as specified, on certain general acute care hospitals through and including December 31, 2010. The provisions create the Hospital Quality Assurance Revenue Fund in the State Treasury and require that the money collected from the quality assurance fee be deposited into the fund. The provisions provide that the moneys in the fund shall, upon appropriation by the Legislature, be available only for certain purposes, including providing the above-described supplemental payments to hospitals and health care coverage for children.

This bill would appropriate \$1,000,000 from the Private Hospital Supplemental Fund and \$1,000,000 from the Federal Trust Fund to the department to pay the department's staffing and administrative costs associated with the provisions of AB 1383, including costs of workload associated with seeking the necessary federal approvals to implement those provisions. The appropriation would also include \$13,500,000,000 from the Hospital Quality Assurance Revenue Fund to the department for the purposes prescribed by AB 1383 to be available for expenditure until January 1, 2013. If the department obtains federal approval, the bill would require the department to use the money in the Hospital Quality Assurance Revenue Fund to reimburse \$1,000,000 to the Private Hospital Supplemental Fund. If the department does not obtain federal approval, the bill would require any unexpended moneys from the \$1,000,000 appropriated to the department from the Private Hospital Supplemental Fund pursuant to this bill to revert to the Private Hospital Supplemental Fund.

This bill would declare that it is to take effect immediately as an urgency statute.

~~Under existing law, the Department of Housing and Community Development is required to establish a schedule of fees to pay for the cost of administration and enforcement of the Employee Housing Act. The department is required to establish a schedule of fees that includes, but is not limited to, specified minimum permit fees. The department is authorized, on or after January 1, 2010, to increase these specified fees, if necessary, to finance the costs of administration and enforcement of the act.~~

~~The Mobilehome Parks Act requires the payment of various registration and renewal fees to the department for a specified section of a manufactured home, mobilehome, or commercial coach and the payment of an annual operating permit fee, as specified.~~

~~Existing law establishes the Labor Enforcement and Compliance Fund in the State Treasury and requires the Director of the Department of Industrial Relations to levy a separate surcharge upon all employers for purposes of deposit in the fund. Existing law requires that the total amount of the surcharges be allocated between employers in proportion to payroll respectively paid in the most recent year for which payroll information is available, and requires the director to adopt reasonable regulations governing the manner of collection of the surcharges.~~

~~This bill would repeal and reinstate these provisions of existing law.~~

Vote: ~~majority~~^{2/3}. Appropriation: ~~no~~ yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. (a) *There is hereby appropriated to the State*
- 2 *Department of Health Care Services the following sums:*
- 3 (1) *To pay for the department's staffing and administrative costs*
- 4 *associated with Article 5.21 (commencing with Section 14167.1)*
- 5 *and Article 5.22 (commencing with Section 14167.31) of Chapter*
- 6 *7 of Part 3 of Division 9 of the Welfare and Institutions Code,*
- 7 *including costs of workload associated with seeking the necessary*
- 8 *federal approvals from the federal Centers for Medicare and*
- 9 *Medicaid Services to implement Article 5.21 (commencing with*
- 10 *Section 14167.1) and Article 5.22 (commencing with Section*
- 11 *14167.31) of Chapter 7 of Part 3 of Division 9 of the Welfare and*
- 12 *Institutions Code, one million dollars (\$1,000,000) from the Private*
- 13 *Hospital Supplemental Fund established pursuant to Section*
- 14 *14166.12 of the Welfare and Institutions Code and one million*
- 15 *dollars (\$1,000,000) from the Federal Trust Fund.*
- 16 (2) *For the purposes specified in subdivisions (c) and (d) of*
- 17 *Section 14167.35 of the Welfare and Institutions Code, the sum of*
- 18 *thirteen billion five hundred million dollars (\$13,500,000,000)*
- 19 *from the Hospital Quality Assurance Revenue Fund, to be available*
- 20 *for expenditure until January 1, 2013.*
- 21 (b) (1) *If the department obtains federal approval for the*
- 22 *implementation of Article 5.21 (commencing with Section 14167.1)*

1 and Article 5.22 (commencing with Section 14167.31) of Chapter
2 7 of Part 3 of Division 9 of the Welfare and Institutions Code,
3 moneys in the Hospital Quality Assurance Revenue Fund shall be
4 used to reimburse the one million dollars (\$1,000,000)
5 appropriated from the Private Hospital Supplemental Fund
6 pursuant to paragraph (1) of subdivision (a).

7 (2) If the department does not obtain federal approval for the
8 implementation of Article 5.21 (commencing with Section 14167.1)
9 and Article 5.22 (commencing with Section 14167.31) of Chapter
10 7 of Part 3 of Division 9 of the Welfare and Institutions Code, any
11 unexpended moneys from the one million dollars (\$1,000,000)
12 appropriated to the department from the Private Hospital
13 Supplemental Fund pursuant to paragraph (1) of subdivision (a)
14 shall revert to the Private Hospital Supplemental Fund.

15 SEC. 2. This act is an urgency statute necessary for the
16 immediate preservation of the public peace, health, or safety within
17 the meaning of Article IV of the Constitution and shall go into
18 immediate effect. The facts constituting the necessity are:

19 In order to make the necessary statutory changes to increase
20 Medi-Cal payments to hospitals and improve access to care at the
21 earliest possible time, it is necessary that this act take effect
22 immediately.

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24
25 **All matter omitted in this version of the bill**
26 **appears in the bill as amended in the**
27 **Senate, September 4, 2009 (JR11)**
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